

SENATE BILL REPORT

SB 6019

As of February 20, 2009

Title: An act relating to employee wellness programs.

Brief Description: Concerning employee wellness programs.

Sponsors: Senators Keiser, Parlette, Kilmer, Jarrett, Tom, Holmquist, Pflug, Shin and Schoesler.

Brief History:

Committee Activity: Health & Long-Term Care: 2/23/09.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Mich'l Needham (786-7442)

Background: Health carriers develop rates for small groups based on an adjusted community rate that may be varied for geographic area, family size, age, and wellness activities. Wellness activities include an explicit activity consistent with Department of Health guidelines, such as smoking cessation, injury and accident prevention, reduction of alcohol misuse, appropriate weight reduction, exercise, automobile and motorcycle safety, blood cholesterol reduction, and nutrition education for the purpose of improving enrollee health status and reducing health service costs. A discount for wellness activities may reflect actuarially justified differences in utilization or cost attributed to such programs.

Summary of Bill: Health insurance carriers licensed as group disability insurers or health care service contractors may allow a wellness discount of up to 20 percent for small employers that develop and implement a wellness program that directly improves employee wellness. Employers must document program activities and may request a reduction in premiums based on three years of experience.

Carriers may review the employer's claim history to determine whether the wellness program has improved employee health, except carriers may not use claims for maternity or prevention services to deny the employer's request. Carriers must consider such areas as improved productivity or a reduction in absenteeism due to illness if documentation is submitted by the employer. Interested employers may work with the carrier to develop a wellness program and a means to track improved employee health.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.